

The Inguri power complex

Paula Garb

The Inguri dam and hydroelectric power plants, which lie in the heart of the Georgian–Abkhaz conflict zone, have become integrally related to the struggle between the two parties. The complex has enormous economic importance. It is the only source of electricity in Abkhazia and is vital for sustaining *de facto* independence, rebuilding infrastructure ravaged by war and maintaining economic and social well-being. For Georgia the facility is important to state building since it provides most of the country's electricity. Both sides therefore need the complex to continue to generate electricity, but with the dam on the Georgian side of the border and the power plants on the Abkhaz side they have been forced to co-operate.

In the absence of a formal structure of management, decisions on operational matters are made by senior officials from both sides who meet on site twice monthly in the presence of the Russian commander of the CIS forces. Since September 1997 they have also attended UN-facilitated co-ordinating committee meetings. Even during the periods of heaviest fighting, Abkhaz and Georgian officials and engineers maintained electricity generation to the benefit of both sides.

Despite the co-operation there remain serious differences between the parties. Ownership of the complex is undecided. The Abkhaz insist that ownership value should be determined by the cost of building the physical structures (giving forty per cent ownership to the Abkhaz) and that the generated electricity should be distributed accordingly. The Georgians argue that the criterion for the complex's value should be the amount of electricity each side consumes (giving the Georgians eighty per cent ownership). The Abkhaz counter that the Abkhaz need for electricity will increase with economic development and that if it has more electricity than it needs it can sell the surplus to Russia, Georgia or

elsewhere. The facility also has military and strategic importance. If Abkhazia retains control of the power plants and the ability to turn off the electricity supplied to Georgia it maintains *de facto* independence. If Georgia were to gain full control of the complex, depriving Abkhazia of bargaining power, it would be in a strong position to force Abkhazia to remain part of the Georgian state. Both sides have, as a consequence, used the site as a weapon against the other. In April 1997, the Abkhaz cut off electricity to Georgia in response to the Georgian disconnection of long-distance telephone lines in Abkhazia. Talks led to the restoration of electricity to western Georgia in return for the restricted use of long-distance telephone lines in Abkhazia.

The complex is also important in the international arena. It provides the Russians with electricity and it is not surprising, therefore, that CIS troops guard the complex. The European Bank for Reconstruction and Development agreed in October 1998 to allocate \$38.5 million to finance badly needed reconstruction. In making a joint memorandum on co-operation a condition it not only accepted an economic and security interest in the complex but also helped reinforce the joint management arrangement.

The co-operation over Inguri River water resources was born of economic and social necessity. It demonstrates that even in the context of an unresolved war, economic and security considerations can force parties to collaborate. Engineers and managers working on the Inguri complex and politicians believe that this joint management effort is leading the peace process, not following it, and could become a model for co-operation in rebuilding railway, communication and transport ties, but to date there has been little tangible influence on other areas of co-operation.

Paula Garb is Associate Director of Global Peace and Conflict Studies, University of California, Irvine. She has facilitated a series of meetings on environmental issues and citizen diplomacy with Abkhaz and Georgian NGOs.